

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2787 - SB 2888

March 4, 2022

SUMMARY OF BILL: Requires the state's employee assistance program, including components for mental health and wellness, to be available to all active members of a local government fire department. Authorizes a career fire department to elect to participate in the state's employee assistance program (EAP) if such fire department pays the actual cost to provide the program. Requires the state to pay all cost associated with access to the EAP for active volunteer firefighters.

FISCAL IMPACT:

Increase State Expenditures – \$362,100/FY22-23 and Subsequent Years

**Increase Local Expenditures – Exceeds \$10,400/
FY22-23 and Subsequent Years/Permissive**

Assumptions:

- Currently, under the Local Government benefit plans (LG plan) administered by the Department of Finance and Administration (F&A), Employee Assistance Program (EAP) services are offered at no cost, including no copays to eligible participants.
- Public Chapter 997 of the 110th General Assembly required all public safety employers to provide public safety employees with a mental health service.
- Found on the Benefits Administration's EAP webpage, all local education and local government employees are eligible to receive such services, thus making career fire fighters already eligible for up to five mental health visits if they enrolled in medical insurance.
- According to DCI, the state's cost to include volunteer firefighters in the state's current EAP program is approximately \$25 per employee and there are approximately 11,229 volunteer firefighters.
- The recurring increase in state expenditures is estimated to be \$280,725 (11,229 x \$25) for volunteer firefighters.
- F&A's Benefits Administration will require one additional benefits specialist as currently there is no existing direct contact between volunteer fire departments or career fire departments opting into the EAP plan but not on the LG plan.
- There will be a recurring increase in state expenditures of \$81,356 (\$63,828 salary + \$17,528 benefits) in FY22-23 subsequent years.

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- The recurring increase in state expenditures is estimated to be \$362,081 (\$280,725 + \$81,356) in FY22-23 and subsequent years.
- According to DCI, there are approximately 8,281 career firefighters. According to F&A, the precise number of career firefighters currently on the LG plan is unknown. Further it is unknown what portion of those departments not on the LG plan will opt into the EAP and how many career firefighters that will represent.
- It is reasonably estimated that at least five percent, or 414 (8,281 x 5.0%), career firefighters will be added to the EAP. Such expenditures will be paid by the local government and are considered permissive.
- A permissive increase in local government expenditures exceeding \$10,350 (414 x \$25) in FY22-23 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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